Achievement of Market-Friendly Initiatives and Results Program
(AMIR 2.0 Program)

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Business Process Reengineering:
Ministry of Industry and Trade,
Company Controller Directorate & Company Registry Directorate
Phase 1- Project Design Proposal

Final Report

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1. Executive Summary

1. Introduction

Informational assessments of the Ministry of Industry and Trade (MIT) have revealed that the Company Controller Directorate (CCD) and the Company Registration Directorate (CRD) would both benefit from business process reengineering (BPR). An important aspect that needs to be superimposed on the BPR is the possibility of merging the CCD and CRD. From a purely functional perspective, the two directorates would operate most effectively as one body within a unified information system that enables easy information sharing. From the analysis in the following sections of this report it can be demonstrated that the two directorates cover a very compatible and similar scope of functions but with different target clients. The two main obstacles to the merger would be (1) the changes to the law necessary to allow such a process, and (2) the expected resistance by the current management and staff.

This consultancy was engaged to carry out BPR for the Company Controller CCD and the CRD of the MIT, entailing: the fundamental rethinking and redesign of the business processes, and supervising and working in a hands-on fashion with a local firm in order to carry out the BPR process from assessment to implementation. The objective of Phase 1 has been to design project plans and create a proposal to perform BPR exercises for the CCD and CRD, either as separate entities or as a combined single organization. Within Phase 1, we have sought to define the appropriate scope for these projects and the expected outcomes.

2. Summary Approach

The Project Approach for Phase 2 BPR Project and Implementation will incorporate the international best practices for BPR from the private sector with the capabilities and experiences of our consulting partner, Integrated Management and Information Consultants (IMI). Those private sector best practices include a team approach, process mapping, and strong participation and involvement of the client population, in this case, the CCD and CRD and other interested directorates at the MIT. A detailed description of the project approach is presented in Part 2 of this Report.

3. Critical Success Factors

We asked the participants in the Phase 1 Project Design to identify so-called critical success factors, which are defined as those elements and variables necessary for change, for the Phase 2 BPR Project and Implementation. Their responses can be summarized as follows, and a detailed list of the Critical Success Factors offered appears in Annex C.

- Commitment to the project and leadership in change on the part of the Minister, the Secretary General, management and employees of the affected directorates

- Involvement, job security and learning for employees.

- Commitment to address the legal changes that may be required to truly implement the redesigned processes and effectively restructure the Directorate resources around them.

1.4 Vision: A Reengineered CCD and CRD

The charts presented in Annex I demonstrate the current functions and their distribution in the organization compared with the vision for the future re-engineered and merged directorates.

The automation strategy is indicated on the chart as follows:

4. Process already automated
   - ** Process automated in a rough manner and needs redesign and new development
   - *** Process is a good candidate for full automation
   - **** Process is a candidate for automation of tracking transactions only (not full information processing)

The CCD has two main areas of activity:

1. Registration of companies and maintaining company information.
2. Controlling companies (legal aspects and financial aspects).

The CCD has completed a revision of its procedures and achieved ISO 9000-2000 compliance. It has also changed its layout to accommodate the new workflow requirements based on the re-engineered systems. A very limited web-based application (e-government) to process company registration requests has also been implemented.

The CRD is basically concerned with the registration and information maintenance of individually owned establishments and the registration of trade names. The CRD has achieved ISO 9000 –2000 compliance but very limited revision of the processes was done. A number of key issues remain as areas for much needed improvement, outlined as follows.

a. Enhancements Within the Scope of the Ministry

1. Full re-engineering of the CRD.

2. Integrating the registration process requirements with requirements of other organizations (e.g., licensing, unified company objectives, provision of explanation of further requirements such as municipal zoning, Ministry of Health Inspection, Civil Defense, Ministry of Labor).

3. Clarification of Investors Road Map at the point of CCD registration process.

4. Elimination of steps not required by law within MIT (e.g., pre-approvals from Ministry, industrial registration).

5. Integration of steps required by law within the MIT (e.g., trade names for company registration).

b. Enhancements Involving Other Organizations

Streamlining of the process will depend on either the elimination or better integration of activities that may be required throughout the process. The alternatives can be interchangeable, for example, if eliminating a given pre-approval from the Ministry of Interior in the registration process is not possible then a provision should be made to integrate the requirements and guidelines with the initial application for rapid processing and clarity. A special unit is recommended to assist in this issue.

1. Elimination of steps not required by law external to MIT (e.g., bonds, some pre-approvals).

2. Integration of steps required (by law or otherwise impossible to eliminate) outside the MIT (e.g. pre-approvals from the Ministry of Interior).

3. Recommendations for concise legal reform targeting key obstacles (e.g., bank deposits).

c. Improved Process Implementation

1. Refinement and enforcement of procedures to optimize process after taking into consideration present experience from the implementation effort. Examples include the use of queue numbers, receipts, revising the need for redundant copies of memorandum of association, founding contract and application.

2. Activation and enforcement of new structure, particularly in the aspect related to the unit delegated with the responsibility of facilitating requirements from other directorates or organizations. Other examples include designating signature authorities to personnel at the service desk to eliminate unnecessary movement of the applicant to search for the authorized signatory.

3. Extensive training, which would primarily focus on the refined process but may include other aspects as customer relations and quality assurance issues.

The following characteristics will reflect a reengineered CCD/CRD and international best practices:

- State of art, best practice business registration and related services. This would be based on optimized workflow in terms of public, personnel and document flow. This will also be compared to practices in other countries to capitalize on their experience.
- An ambience of order, control and efficiency.
- Very little waiting: streamlined business registration, data interface with other Government entities, Chamber of Industry, etc. In the current situation the process can take as little as 20 minutes or can stretch for weeks for cases requiring interfacing with other organizations. In the revised processes it is foreseen that any interface would either be eliminated or streamlined within the process with controllable performance criteria that would limit the processing time to within 24 hours.
- A sense of excellence in customer service, i.e., ARAMEX, a Jordanian delivery service, equivalent to UPS or FEDEX. Performance or excellence measures will be well defined into the new system with tools providing continuous feedback on the standards achieved. Examples include process time, clarity of procedures and guidelines, general public satisfaction.
- A benchmark model for other public serving government offices that is respected and imitated in both the public and private sector.

1.5 Project Proposal

The project scope of work requested that the Phase 1 Project Design propose two courses of action: (1) BPR project and implementation of CCD and CRD, each independently, with compatible systems, and (2) BPR project and implementation of CCD and CRD, combined, as a single institution. The elements of either choice quite naturally will be the same:

- The project approach as described in this report.
- A single Project Joint Team and single Project Executive Team working with both Directorates simultaneously.
- Simultaneous mobilization activities, strategic objectives review, customer redesign validation plan, best practice/benchmarking exercises.
- Study, mapping of "As Is", and process redesign of like, corresponding activities and functions in parallel, to facilitate the redesign of data interfaces and service to customers.
- Parallel implementation of redesigned like functions.

- Design of an integrated data base architecture, and documentation of the final report.

This coordinated effort will result in an economic application of project and directorate resources, and compatible, harmonious redesigned processes and services for the customers. The only practical differences will lie in working with the Directorate organization structures, as they exist during the course of the project.

1.6 Recommendations

The need for improved directorate services to their customers and for improved operations within the Directorates themselves has been well documented in recent studies (See Annex H for Documents Consulted). The benefits to be derived from a BPR Project and Implementation at this time are described in this Report. These benefits are very significant, and they are compelling. A successful BPR Project and Implementation will benefit all businesses in Jordan and will support the Kingdom in its effort to be a leader in the Middle East in entrepreneurship, innovation, and economic development.

We recommend that the MIT and the AMIR Program proceed and launch the project as expeditiously as possible. The enthusiasm and support of key players and decision makers for the Project is fresh and alive. The criteria and data upon which the project has been designed are valid and up to date as we complete this report. Change and innovation are underway in many areas in Jordan, both public and private. Over the last few weeks, a series of press articles have reported the many initiatives and programs underway, building Jordan's leadership in information technology, transparency, e-government and ease of doing business.

The studies and analysis undertaken to create this project design and report indicate that there are considerable savings and benefits to the directorates, and improvements of service to customers to be achieved through consolidation of like functions, if not a complete combination of both directorates into a single organization**.**

The expected results will include:

1. Shorter processing time, particularly in cases where other organizations are involved.
2. Reduced number of functions.
3. Controlled queuing thus eliminating confusion and lines and unpredictable waiting times.
4. A front office with One-stop service where the public is expected to find all required services.
5. A back-office for processing where the public has limited access thus enhancing the efficiency and ensuring minimum intervention.

6. Much more effective and refined organization with clear job descriptions and more focused assignments.
7. Integrated information systems and flow replacing much of the paper work, in particular regarding the company files and relevant information.
8. Better planned interfacing with other organizations, for example, in terminology or classifications used for company objectives.

Some benefits are listed in section 4 of this report.

This report provides the information necessary for the MIT to move forward with BPR by deciding on the following two points:

Recommendation 1: the combination and integration of like functions in the two organizations or

Recommendation 2: the consolidation of the two directorates into a single organization.

Recommendation 2 is independent and exclusive of Recommendation 1, that is, to proceed immediately with the BPR Project and Implementation for the two Directorates.

1.7 Next Steps

1. Decision makers meet and evaluate this report.
2. Consider Recommendations 1 and 2.
3. If decision to proceed with BPR Project, begin mobilization: begin selection process for Project Joint Team Co-Consultants, Executive Team Members.
4. Mobilize AMIR BPR consultant and local firm, begin project.
5. If decision is affirmative to consider combination of like functions in the two Directorates, and/or the consolidation of the two Directorates, proceed with consideration .
6. Proceed with consideration until decision(s) is reached to consolidate or not like functions or combine or not Directorates.
7. If decisions are made for changes, implement changes.

2. Detailed Project Approach

2.1 Phase 1: Project Analysis and Design Phase

The approach used in this Analysis and Design Phase (Phase 1) incorporated methodologies from the private sector practice of BPR project analysis and design into the Scope of Work for the project. The background readings provided a basis for understanding the need for, and history of, BPR efforts for the CCD and the CRD. The interviews specified in the SOW added to the understanding for the need for the project, and provided an introduction to some of the key players, decision makers and participants in the project. Ideas for improving the business processes and effectiveness of the two directorates were offered during these interviews. Issues to be faced in the execution of the project were identified as well**.**

Improvements could be attained through the unification of functions, which will reduce the management effort to control and optimize the operation, as well as give a much cleared view to the public on the services provided by the Ministry. Other important aspects included the consolidation of all guidelines written and otherwise, used for decision-making and actions, which will ensure an objective foundation for equal and unbiased treatment based on the case with minimum significance of employee preferences or mood. This will also institutionalize the processes and provide a consistent mode of behavior and reduce the dependence on the personal knowledge of key staff members.

Such criteria should include verification schemes to monitor the decisions made on periodic basis. The verification system can be central to the Ministry or to the directorate. If a central audit department is established it will ensure a uniform verification approach with clear structured guidelines, independence and the involvement of top administrators in the key issues and concerns. Another effective improvement would be the establishment of a unit specialized in liaising with other organizations. Such a unit can plan and implement activities involving other entities in a manner that ensures timely delivery, thoroughness of information and minimizes uncertainty in outcomes.

In addition to the individuals specified in the scope of work for this consultancy, others having knowledge of the directorates and the opportunities to improve their operations were interviewed, including a sampling of directorate customers. A team approach was used. The team consisted of the AMIR BPR consultant and personnel from our local consulting partner, IMI. Data from previous IMI studies at the directorates were utilized for existing knowledge of the processes, the organizations, and opportunities for improvement. Walk-throughs of the processes at the Directorates provided first hand understanding of the process steps, introduced the AMIR/IMI team to Directorate personnel, and generated ideas for process redesign and improving Directorate services to their customers.

2.2 Phase 2: Business Process Reengineering/Business Process Redesign Project

The project approach in the actual BPR project will be a blend of BPR methodologies and international best practices from the private sector, and IMI methodologies, all within the framework of the AMIR Program. Again, a team approach will be used. The Project Joint Team members will consist of the AMIR BPR consultant, the local IMI partner consultants, and "co-consultant" team members from the Directorates staffs. The Project Joint Team will do the work of the project, with the support of the Project Executive Team, and drawing upon the resources of the Directorates, IMI and AMIR. The Project Executive Team will have the power, and responsibility, to make decisions regarding the acceptance of process redesigns. The Executive Team will also be responsible for supporting implementation in the Directorates. In this project, we will introduce the most effective, state of the art Business Process Reengineering/Process Redesign technologies from the private sector.

One of the most important of these technologies, which can be applied very effectively in Jordan, is the utilization of Brown Paper process models to describe, and reengineer, business processes. Brown Paper process models or process maps are large pieces of brown paper hung on wall space. An "As Is" brown paper process map will present actual examples of the documentation (or the lack of it) used in the work process. It will describe the process as it actually works, both formally and informally. It shows the "big picture", identifies strengths and opportunities, captures the complexities and disconnects of operational issues, and identifies outside areas involved in the process. It will include performance data, metrics and costs, if they are available. Brown Paper process maps promote a common understanding of the process. They encourage problem solving and the offering of ideas for improvement. They are useful for presentations and as a story-telling tool. The Brown Paper is the most effective method for documenting the "As Is" and identifying improvement opportunities. The creation of an "As Is" map elicits high employee involvement and ownership in the redesign and implementation process.

"To Be" process models may be used as a framework to develop or redesign complex work processes for streamlining, optimization and integration. The "To Be" Modeling process is a structure for thinking through complex issues in a methodical manner. It facilitates the elimination of unnecessary operations and the redefinition of overly complex tasks. The "To Be" process model exercise enhances teamwork and cross-functional cooperation, and is key to the utilization of technology. "To Be" process models facilitate choosing between fundamental versus incremental redesign. They facilitate challenging assumptions, thinking "out of the box" and provide for a long-term vision. They facilitate cost/benefit analysis and build confidence for process change. They also help identify potential issues and roadblocks to be faced during implementation of the reengineered, redesigned processes. They assist the implementation team in planning for successful implementation.

Other change management tools will be introduced, as required and as appropriate, to assist the project and implementation teams in their tasks. These are likely to include a methodology for effective meetings, team problem solving, roles and responsibilities charting to support change, pilot implementation, and technique for managing implementation and measuring and tracking performance.

Process improvements, process redesigns will be implemented and integrated into the ongoing operations, when possible, as they are identified, and agreed to by the process owners or decision makers for the processes. This is as opposed to waiting until the end of the project for implementation. For process change implementation requiring time or resources beyond the project scope and duration, implementation plans will be developed, with schedules and assigned responsibilities.

2.3 Anticipated Obstacles

The anticipated obstacles can be divided based on the scope and phase of work, the proposed improvements will address the following stages:

1. Development of revised and optimized procedures

    - Resistance by top managers to the changes in the authority
    - Resistance to a much higher degree of delegation and empowerment
    - The availability of information to be complied in the form of guidelines may be limited
    - Resistance to the change in the power and authority structure
    - Resistance to the re-organization
    - Resistance to the change in the physical layout and office spaces
    - Loss of office privacy for many staff members
    - Reduction in the contact with the public thus severely affecting the public relations of some positions
    - Decision making and high responsibility behind the approval of new and not tested procedures
    - Fear of a strong and negative public reaction to some changes leading to complaints
    - Lack of confidence in the applicability of some solutions
    - Reluctance to proceed with issues that may require legal changes

2. Implementation of the revised procedures

    - Resistance by personnel to the change in their duties
    - The threat of a suddenly very different career path and potential loss of opportunity to occupy a targeted post
    - Resistance to move from present office or workspace
    - The threat of much more precise control leading to the uncovering of potentially all mistakes
    - The lack of skill to handle the potentially more sophisticated working procedures and associated tools
    - Fear of loss of jobs or positions due to the shrinkage in the requirements for human resources

- The limited authority of seniors to order subordinates to perform functions previously not included or to change the place of work.
- The gaps in job roles created by the new systems that can not be filled by existing staff
- The elimination of some senior positions and the failure to find equivalent substitute positions.

3. Development of a supporting integrated information system and databases

- Maintaining the current level of functionality while enhancing certain key operations
- Utilizing the legacy systems and associated data with potentially less than optimum normalization
- Dealing with the various directorates and integrating their needs
- Defining the new information availability and security features that safeguards the public information as well as the Ministries internal workings

3. Deliverables

The Deliverables for this Project consist of a quality business process reengineering/ redesign and implementation, where possible within the time frame and resources of the project, of the processes of the CCD and CRD. With the support and participation of the Ministry and the Directorates, we will attempt to achieve the benefits targeted and begin the transition to the vision from the customer's perspective that we have defined in this report.

The Phase 2 BPR Project and Implementation Report will document the achievement of the Project deliverables:

- Description of redesigned and implemented processes
- Implementation Plans for redesigned processes to be implemented
- Quantification of Benefits, achieved and anticipated
- Inventory of Process Maps, Process Maps
- Description Training presented, copies of Training Materials
- Detailed Information Architecture
- A report on the current distribution of databases and recommendations for future database architecture.

The recommendations will address the integration of information processing needs between the CCD and the CRD as well as with other potential entities with which they will share or exchange information. Emphasis will be made on nodes connecting the directorates with other departments within the Ministry as well as other governmental and non-governmental organizations.

An ***automation strategy*** should also be included that will identify criteria for identification and prioritization of candidate business processes for automation and a master plan laying down the basic standards, guidelines, timetable and other issues relevant to the upgrade of the information infrastructure of the directorates. The plan will also address the development and implementation of the automated systems and their integration within the re-engineered processes. The implications of the open linkages with other institutions and departments will be incorporated into the master plan. A ***facility layout*** should also be included to best suit the flow of public, personnel and information. A ***human resources development plan*** should be designed to propose a staffing and training strategy and required outcomes.

4. Assessment of Benefits and Costs

4.1 Benefits

The BPR of the CCD and the CRD offer benefits to three groups: (i) Jordanian business community, the customers of the Directorates and the MIT; (ii) the employees of the directorates; (iii) Directorate management. Details of these benefits are shown in Boxes 4.1 – 4.3.

Box 4.1
Benefits to the Jordanian Business Community, the Customers of the Directorates and the MIT

- Implementation of world class, international best practices, in business registration and related services
- Reduced cycle time and expense for registration and related activities to businesses and individuals, Directorate customers. The estimated reduction can be divided into two categories: Short, where all processing is usually done within one hour, this would be reduced to within 15 minutes. The second category covers transactions requiring approvals from other bodies, and can be reduced from the current time of weeks to under 48 hours.
- Simplicity in procedures; procedures available, visible, "How to" instructions at MIT headquarters, in the Governorates, and on the internet
- Increased availability of Directorate services and resources. This can be accomplished by introducing longer office hours, operating on days where companies are off to make the services available to the business community during their days off. In addition, the empowerment of staff with the confidence of the existence of appropriate controls, will increase key staff availability to the public and reduce the dependence on more occupied and less available seniors.
- Elimination of information requirements beyond Registration authority
- Normalization of terminology and data requirements among authorities
- Implementation of a feedback mechanism to Directorates from customers and stakeholders in form of customer survey.

Box 4.2
Benefits to the Directorates and their Employees

- Simplified, modern, state of art Best Practices in their work processes. State of the art can be achieved by integrating electronic processing tools and other tools using the best available technology, and building those into a streamlined floor plan with well defined flow of personnel. Elimination or minimization of the flow of hard paper will also be very beneficial especially in the handling of company files and sensitive information. Best practices are compiled based on the experience of advanced nations.
- Reduced and balanced work load.
- Improved archive facilities that enable quick access to records, further improving service.
- Opportunity to begin correcting and normalizing data base inaccuracies.
- Improved data quality and database management.
- Better information and clear procedures, allowing for immediate decision-making at level closest to customer.
- Clearer definition of roles and responsibilities.
- Reduced stress in interacting with the public.
- An enhanced public image for the Directorates and its employees.
- Trained Co-Consultants, an on-going resource for leading continuous improvement.
    - Process Mapping, Business Process Reengineering/Process Redesign tools and methodologies
    - Change Project Management
    - Other Change Project Management Tools
- Implementation of world class, international best practices, in business registration and related services.
- Reduced cycle time and expense for registration and related activities to businesses and individuals, Directorate customers.
- Simplicity in procedures; procedures available, visible, “How to” instructions at MIT headquarters, in the Governates, and on the internet.
- Increased availability of Directorate services and resources.
- Elimination of information requirements beyond Registration authority.
- Normalization of terminology and data requirements among authorities.
- Implementation of a feedback mechanism to Directorates from customers and stakeholders.

Box 4.3
Benefits to Directorate Management

- Management tools, previously unavailable. These include the ability to do proper employee performance appraisal, monitor the public satisfaction and map it against directives affecting procedures and processing requirements, needs assessment and fulfillment and other management tools that can lead to the enhancement of the organization and the human resources.
- Employee empowerment, delegation will allow management more time for true management responsibilities, planning, employee training and development, continuous improvement.
- Tools for managing performance and compliance.
- Access to tools for Continuous Improvement.
- Enhanced career path opportunities.
- Opportunity to be a model for other government improvement efforts, participate in award and recognition programs, i.e., the King Abdullah Award for Government Performance and Transparency, other excellence and quality, domestic and international.

4.2 Investment/Costs

Investments and Costs to the reengineering process must be assessed in a terms of costs to the AMIR Program and the MIT, as follows:

Costs to the AMIR Program:

1. AMIR BPR Consultant	22 man-weeks @ standard USAID rates, plus travel and per diem
2. Two Local Consultants	45 man weeks
3. IT costs	Must be scoped.

Costs to the MIT Directorates:

1. Project Co-Consultants 3 persons	67 man-weeks (provided by MIT)
2. Project Executive Team 4 persons	12 man-days
3. Provision of workspace for project team	22 weeks
4. Provision (occasional) of Training Facilities	22 weeks

Annex A
Project Plans

A1 Project Plan: CCD as an Independent Entity

- Project mobilization; introductions, facility arrangements, design communication plan.

- Establish Steering Committee, comprised of a group of individuals who will support, guide and provide recommendations to the Project Team.

- Select Directorate "Co-Consultant(s)" for Project Team and begin Co-Consultant training. Co-Consultants will work hand in hand with the professional consultants. The Project Team will draft and agree to a charter for the project. The Project Team will draw upon resources within the Directorate as required during the course of the project.

- Review Mission Statement, Vision, Work Plan, Initiatives underway, E-Government initiatives, strategic goals, MIT Strategic Plan 2002- 2006; link these to project plan and objectives where possible.

- Start data collection, establish volume tallies where required.

- Investigate customer needs, interview sample of Directorate customers. Design and establish an appropriate customer interface plan for the project. Periodically check process redesigns of Directorate services from customer point of view.

- Establish plan for Benchmarking, Best Practices, begin Benchmarking research.

- Identify, agree upon Key Performance Indicators (KPI's); establish benefits tracking mechanism.

- Begin process mapping, "as is" processes, critique, reengineer. Map, study processes in natural sequential order where possible. Involve employees in the process, map building, process validation, and redesign, as possible and practical.

- CCD Planned Activity Study Sequence (Some activities will be studied simultaneously)

- Business registration of local and foreign companies. Include in study business registration interfaces with the Governates and other MIT directorates. Assure compatibility in redesigned process. Consider efficiency, redesign opportunities at the Governates and other directorates supporting business registration activities. Consider consolidation of all MIT business registration activities as possible.

- Investigations.
- Amendments on registration of local and foreign companies.
- Auditing, financial and managerial.
- Issue of official letters.
- Launch implementation training implementation; Ministry employees will be trained on the re-engineered system through participatory launch workshops. They will be given hands-on training on the job and supervised through the co-consultant team and the project teams with appropriate frequency. A verification exercise will be done to ensure that the employees are adhering to the new procedures and that the system is effective.
- Update Directorate, Project Executive Team and AMIR on a regular basis. Report project progress, present redesigned processes for approval, implementation as required.
- Complete design of data base architecture. Indicate interfaces with other Directorates.
- Write and submit Final Report, documenting the study, redesigned processes, benefits achieved and implementation plans.

A2 Project Plan: CRD as an Independent Entity

- Project Mobilization; introductions, facility arrangements, design communication plan.

- Select Directorate "Co-Consultant(s) for Project Team, begin Co-Consultant training. Co-Consultants will work hand in hand with professional consultants.

- Review Mission Statement, Vision, Work Plan, Initiatives underway, E-Government initiatives, strategic goals, MIT Strategic Plan 2002- 2006; link these to project plan and objectives where possible.

- Start data collection, establish volume tallies where required.

- Investigate customer needs, interview sample of Directorate customers. Design and establish an appropriate customer interface plan for the project. Periodically check process redesigns of Directorate services from customer point of view.

- Establish plan for benchmarking, best practices, start research.

- Identify, agree upon Key Performance Indicators (KPI's), establish benefits tracking mechanism.

- Begin process mapping, "as is" processes, critique, reengineer. Map, study processes in natural sequential order where possible. Involve employees in the process, map building, process validation, redesign as possible and practical.

- CRD Planned Activity Study Sequence (Some activities will be studied simultaneously)

    - Registration; industrial, trade names, trade, agents and brokers; include in study registration interfaces with the Governates and other MIT directorates. Assure compatibility in redesigned process. Consider efficiency, redesign opportunities at the Governates and other directorates supporting business registration activities. Consider consolidation of all MIT business registration activities as possible.

    - Amendments; industrial, trade names, trade, agents and brokers; include in study registration interfaces with the Governates and other MIT directorates. Assure compatibility in redesigned process. Consider efficiency, redesign opportunities at the Governates and other directorates supporting business registration activities. Consider consolidation of all MIT business registration activities as possible.

- Cancellations; industrial and trade registrations, agents and brokers registration, trade names registration.
- Holding and unholding registration.
- Issuance of official documents – court cases.
- Response to law suits and legal cases.
- Archiving and retrieval of documents.

- Launch implementation training implementation; Ministry employees will be trained on the re-engineered system through participatory launch workshops. They will be given hands-on training on the job and supervised through the co-consultant team and the project teams with appropriate frequency. A verification exercise will be done to ensure that the employees are adhering to the new procedures and that the system is effective.
- Update Directorate, Project Executive Team and AMIR on a regular basis. Report project progress, present redesigned processes for approval, implementation as required.
- Complete design of data base architecture. Indicate interfaces with other Directorates.
- Write and submit Final Report, documenting the study, redesigned processes, benefits achieved and implementation plans.

A3 Project Plan: CCD and CRD Combined

- Project Mobilization, introductions, facility arrangements, design communication plan.
- Select Directorate "Co-Consultant(s) for Project Team.
- Review Mission Statement, Vision, Work Plan, Initiatives underway, E-Government initiatives, strategic goals, MIT Strategic Plan 2002- 2006; link these to project plan and objectives where possible.
- Start data collection, establish volume logs where required.
- Investigate customer needs, interview sample of Directorate customers. Design and establish an appropriate customer interface plan for the project. Periodically check process redesigns of Directorate services from customer point of view.
- Establish plan for Benchmarking, Best Practices, start research
- Identify, agree upon Key Performance Indicators (KPI's), establish benefits tracking mechanism
- Begin process mapping, "as is" processes, critique, reengineer. Map, study processes in natural sequential order where possible. Involve employees in the process, map building, process validation, redesign as possible and practical.
- <u>CCD and CRD Planned Activity Study Sequence</u> (Some activities will be studied simultaneously)
    - CCD, CRD Business Registration activities; identify business registration activities in other MIT directorates, Governates. Assure compatibility in redesigned process. Offer efficiency, redesign opportunities to other directorates supporting business registration activities. Consider consolidation of all MIT business registration activities as possible.
    - CRD Amendments; Industrial, Trade Names, Trade, Agents and Brokers; Include in study registration interfaces with the Governates and other MIT directorates. Assure compatibility in redesigned process. Consider efficiency, redesign opportunities at the Governates and other directorates supporting business registration activities. Consider consolidation of all MIT business registration activities as possible.
    - CCD, Amendments on Registration of Local and Foreign companies.

  - CRD, cancellations; industrial and trade registrations, agents and brokers registration, trade names registration.
  - CRD, holding and unholding registration.
  - CCD, issue of official letters.
  - CCD, CRD, Issuance Cancellations; Industrial and Trade Registrations, Agents and Brokers Registration, Trade Names Registration.
  - CCD, Investigations.
  - CCD, Auditing, Financial and Managerial.
  - CRD, Response to Law Suits and Legal Cases.
  - CCD, CRD, Archiving and Retrieval of Documents.

- Launch Implementation Training Implementation; Ministry employees will be trained on the re-engineered system through participatory launch workshops. They will be given hands-on training on the job and supervised through the co-consultant team and the project teams with appropriate frequency. A verification exercise will be done to ensure that the employees are adhering to the new procedures and that the system is effective.
- Update Directorate, Project Executive Team and AMIR on a regular basis. Report project progress, present redesigned processes for approval, implementation as required.
- Complete design of Data Base Architecture. Indicate interfaces with other Directorates.
- Write and submit Final Report, documenting the study, redesigned processes, benefits achieved and implementation plans.

Annex B
Summary of Customer Interviews, Diagnostics

Evaluation of Processes and Tools

- The customers assured the marked positive improvement in the performance of the CCD after the previous effort in revising the processes. The improvement sited included shorter processing time, much clearer requirements, better treatment and more convenient location of application processing. Such improvements are considered key factors and are also needed in the CRD.

- More information and database system tools available to the public will be necessary to improve the efficiency. Examples include the ability to investigate relevant issues before visiting the Ministry.

- Investigate the overlap or duplication or complementary roles of other organizations handling similar processes, e.g. the Investment Promotion Corporation.

- The CRD lacks follow-up post registration of trade names. Some violations occur to the terms and conditions of holding the trade names.

- Establish the information linkage between the CCD and other organizations (e.g. the Chamber of Industry) via electronic media.

- Enhance customer feedback and develop tools.

- Investigate latest 20 applications for performance evaluation.

Human Resources and Organization Issues

- Better human resources are needed in terms of number and skills.

- Establish a more clear organization structure with clear identification of roles and responsibilities

Legal Reform Issues

- The public and the government both seem reluctant to merge the legal identities of the two segments served by the two directorates, individuals (CRD) and companies (CCD).

- Legal reform would be required to accommodate and maximize the effect and use of e-government.

- Legal reform is needed to eliminate the requirement of obtaining pre-approvals now necessary to complete the registration process.

- Legal reform allowing the lawyers to represent the individuals in the various processes at the CRD, and eliminate some of the cumbersome requirements such as signatures in front of the Notary Public.

Annex C
Critical Success Factors

Many of the individuals interviewed during the Design and Analysis Phase were asked to identify Critical Success Factors for the Project. A summary of those factors as identified by the interviewees follows:

- Leadership of Directorate Human Resources.
- Buy-in to the process by employees. Benefits for employees, such as participation in the process, learning, training.
- Improvements in the archiving, records facilities.
- A program to correct archives, data base accuracy.
- Visible support and commitment from the Minister and the Secretary General.
- A project joint team that includes excellent Directorate Co-Consultant Team Members.
- A commitment on the part of the Directorates, the Minister and the Secretary General to measure, recognize and reward the performance of the Directorate Co-Consultants based upon the success of the project.
- Support, Champions, the Minister and Secretary General.
- Learn from previous work, the first BPR exercise.
- Customer focused, centric, friendly.
- Real buy-in from the line personnel.
- Take away threat to employees of losing jobs.
- Outreach regarding BPR benefits.
- SPEED! The pilot BPR will be an extremely high profile project at both MIT and MoICT.
- Very strong involvement of change agents.
- The Project will be a success if it results in a clearer organization structure and job descriptions.
- A commitment to address legal challenges required for efficiency in business registration activities and services to customers.
- Delivery of something new. For example, don't simply tell us that we are understaffed.
- Processes as simple as efficiency would permit, while minimizing bureaucracy and maximizing control.

Annex D
Guidelines for Selecting Project Executive Team Members

This Team will have the power, and the responsibility, to make decisions for the approval of process redesigns. The team will sponsor, guide and support the overall change effort and the Project Joint Team. The optimal Steering Committee is composed of individuals from different departments or functions, and different levels, within the organization. They should be individuals who can look at the entire operation of the Ministry, with some knowledge of the day-to-day operations. They should also be individuals with authority and commitment, and the ability to influence others. They should have the respect of their peers, and have a large stake in the change effort.

Annex E
Guidelines for Selecting Co-Consultant Project Joint Team Members

The Project Joint Team will analyze the current process, make recommendations for improvements, and help implement a redesigned process. Co-Consultant Project Joint Team Members should come from departments or functions involved in the process. They may possess specialized expertise such as information systems or problem-solving redesign. They may be customers, internal or external to the processes. They should be highly respected and able to work around the rules. They should be able to devote a significant portion of their time to the redesign effort.

Annex F
Information Architecture

1. Core System

A core system shared by all applications will be required. The system will provide the large platform for shared information. This system is analogous with a population database at the Ministry of Interior that serves as the backbone for citizens records. In the case of the MIT, it should be the owner of the company's database, which should serve its needs as well as national needs.

A thorough analysis of information processing requirements of all functions will be needed before the scope of the core system can be designed.

Scope (example)

- Company Information
- Partner Information
- Various Classifications
- Guidelines
- Laws

Users – Ministry

- All directorates

Users – External

- General Public
- Lawyers
- Investors

Linkages

- Other Ministries (Interior)
- Chambers of industry and trade
- Municipalities
- Banks

2. Internal Transactions Layer

The internal processing should be managed by an internal transactions layer, which runs based on the information in the core system. The internal transactions layer also links to the external transaction requests servicing the public to complete the processing.

The internal transactions layer will be based on a number of applications serving the different directorates. The systems will represent independent modules but reading from and building up the shared information base such as records.

Scope

Annual review of company files
Legal action
Analysis

Users - Ministry
Directorates based on functions

Users – External
No external linkages are expected

Linkages
No external linkages can be foreseen prior to the detailed analysis

3. External Transactions/Exchange Layer

Processing of requests of the public that is not done via the internet needs to be managed in this layer. This is a necessary to manage transactions that have a strong need for automation but are not likely to be done over the web. Examples include unclassified requests and authentication.

In addition, it is highly recommended that all web-based applications feed into this layer after filtering and minor processing. This is in contrast to the current implemented systems were the web applications write directly to the Ministry databases.

Scope
All functions directly serving the public, for example:
- Registration (Unified)
- Changes
- Cancellation

Users - Ministry
- Directorates owners of functions
- Directorates with inputs within functions
- Control

Users – External
- Related Functions (e.g. Investors roadmap)
- Licensing
- Chambers of Industry and Trade
- Professional Associations
- Ministry of Interior and other Ministries
- Municipalities
- General Corporation for Environmental Protection
- Investment Promotion Corporation
- Banks
- Pre-approval bodies

Linkages
- Chambers of Industry and Trade
- Professional Associations
- Ministry of Interior
- Other Ministries
- Municipalities

- General Corporation for Environmental Protection
- Investment Promotion Corporation
- Banks
- Pre-approval bodies

4. E-Government Layer

The services and functions that can be offered via the internet will be part of this layer. For this to be effective the scope of functionality should be expanded to the extent where tangible benefit is gained.

For example, simply submitting the application and then doing all the remaining work and follow-up by visiting the Ministry does not really add much value to the practice where the entire process is done through the personal visit.

The candidate functions are marked in the automation strategy summary. It is proposed that part of the processing of the functions in this layer will be to load the transactions into the internal processing layer.

The other aspect of this layer is the making available of information to the public. This is somewhat simpler. A portal would be an appropriate solution.

Scope

Functions directly serving the public where a tangible benefit can be gained through rapid and easy internet access

- Registration (Unified)
- Changes
- Issue of official documents

Users - Ministry

- Directorates owners of functions
- Control

Users – External

- Public

Linkages

- Chambers of Industry and Trade
- Professional Associations
- Ministry of Interior
- Other Ministries
- Municipalities
- General Corporation for Environmental Protection
- Investment Promotion Corporation
- Banks
- Pre-approval bodies

5. Control Layer

A useful element to be superimposed on the information systems would be a control layer. The purpose of this layer would be to analyze and monitor the transactions and information flow to capture errors, misuse, abuse and other key performance indicators. As the core system contains the set guidelines the control can verify the actual practice against the stated targets and policies. Examples include time of processing, decision-making criteria, identification of bottlenecks and other issues that can be identified through the analysis phase.

Scope

- All functions

Users - Ministry

- Managers of Directorates owners of functions
- Ministry top management
- Control

Users – External

- Limited public (transparency of performance of some key areas)
- Internal Audit and Control

Linkages

- No linkages can be foreseen before the detailed analysis.

6. Decision and Strategy Support

The compilation of information together with the performance indicators will create a rich knowledge base that can be used as for decision support and strategic planning.

Planning issues can relate to internal affairs such as performance boosting or to external issues, such as the identification of economic strengths and weaknesses based on sectoral analysis.

Scope

- To be defined

Users - Ministry

- Managers of Directorates owners of functions
- Ministry top management
- Control

Users – External

- Limited public (transparency of performance of some key areas)
- Ministries
- Chambers of Industry and Trade
- Professional Associations
- Financial Institutions

Linkages

- To be determined

Annex G
Scope of Work for Assignment

An informational assessment of the MIT in May-June of 2002 revealed that the Company Controller Directorate (CCD) and the Company Registry (CR) would both benefit from the business process reengineering process (BPR). It remains unclear as to whether or not the CCD or CR would operate most effectively as two separate bodies operating within compatible information systems that enable easy information sharing, or whether the two bodies should be combined. Further (how) the business registration functions of the three other directorates within the MIT must be taken into account.

Objective: The objective for this consultancy is to carry out business process reengineering (BPR) for the Company Controller Directorate (CCD) and the Company Registry (CR) of the Ministry of Industry and Trade, entailing: the fundamental rethinking and redesign of the business processes, and supervising and working in a hands-on fashion with a local firm in order to carry out the BPR process for the CCD and CR – from assessment to implementation.

Tasks Related to Achieving the Consultancy's Objective
A) Propose two courses of action: (1) for carrying out the BPR exercise for the CCD and CR independently, and (2) combining the CCD and CR and carrying out the BPR exercise the two as a combined, single institution.

B) Carry out a quantifiable assessment of the benefits and costs of maintaining the CCD and CR as independent though interlinked bodies, or combining them, and any other information that enables senior ministry leadership to decide whether or not to work towards necessary legal changes that would be required to combine the CCD and CR. Further, include a plan to link the development and implementation of the automated system that will support the business registration (and ultimately licensing) processing.

C) Provide hands on supervision with the local partner to carry out the BPR implementation process to its completion in accordance with the chosen course (from Task A above) by the PSPI component leader and senior ministry management.

Deliverables: Description of BPR methodology used by the consultant and report describing proposed BPR outcome of CCD as an independent entity and proposed BPR outcome of CR as an independent entity, including description of linkages and compatibility of CR information systems with CCD information systems as well as related outside agencies.

1. Quantifiable assessment of the benefits and costs of maintaining the CCD and CR as independent though interlinked bodies vs. combining the CCD and CR into one institution**.**
2. Final report summarizing BPR implementation, with future opportunities and. potential obstacles.

Annex H
Persons Contacted

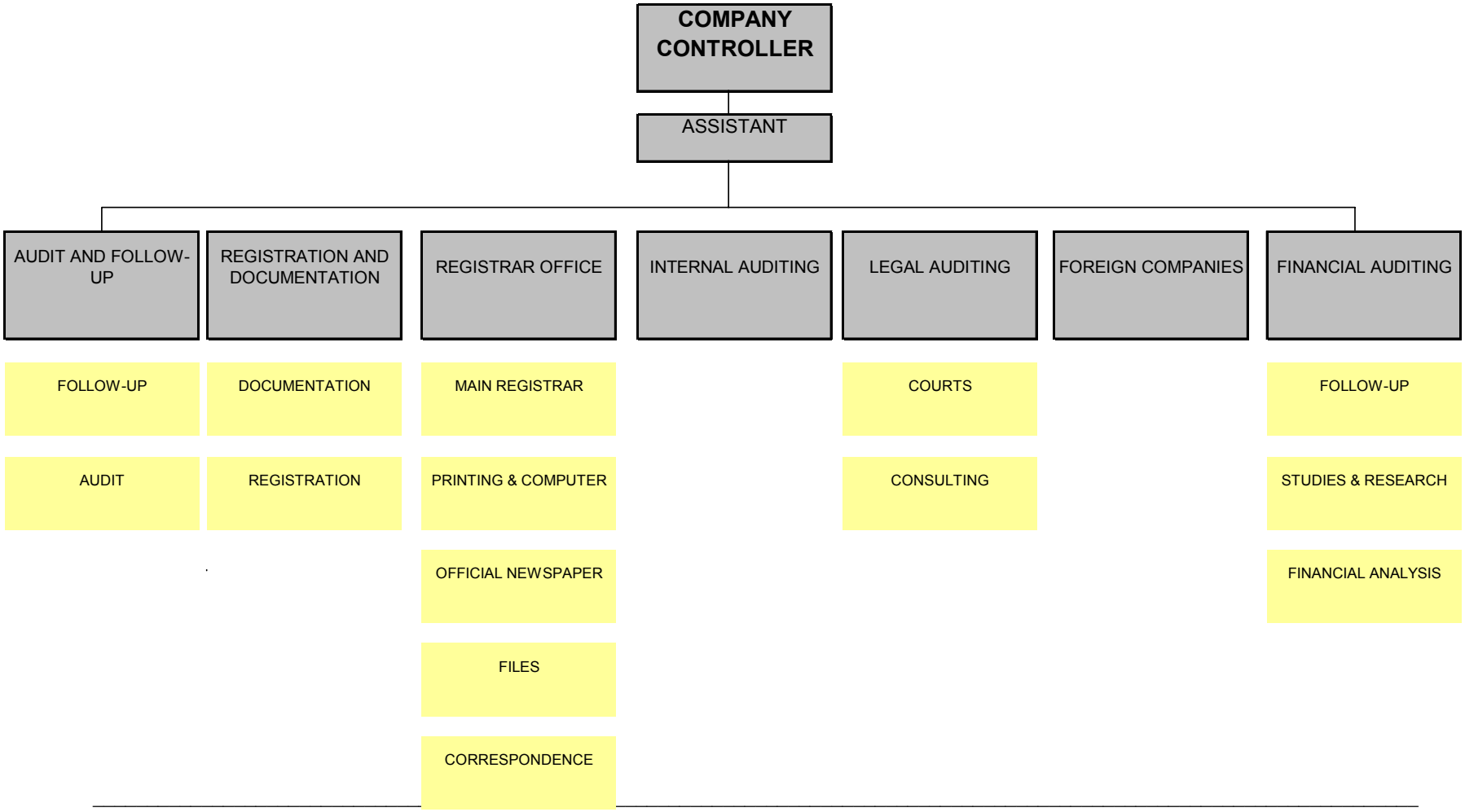
1. Sala Al Bashir, Minister, MIT
2. Samer Tawil, Secretary General, MIT
3. Salem Khaza'leh, Director, CCD
4. Dr. Naif, Associate Director, CCD
5. Rula Hadadin, Director, CRD
6. Atif Hamdan, IT Director
7. Mohamed Ayed Abu Asal, Assistant Computer Director
8. Chip Krakoff, PSPI Component Leader AMIR
9. Andrew Kaiser, Center Of Excellence Manager, AMIR
10. Greta Boye, Consultant, AMIR
11. Rami Al-Qusus, Policy Analyst-MIT-AMIR
12. Aref Al-Farra, Policy Analyst-MIT-AMIR
13. Ghassan Khatib, IMI
14. Nabila A. Attyani, IMI
15. Alan Johnston, AMIR Consultant
16. Abdelmajeed T. Shmlawi, AMIR Consultant
17. Jim Barnhart, USAID
19. Dr. Hatem Halawani, Chairman, Amman Chamber of Industry
20. Yasin I. Shahzada, Deputy Director General, Amman Chamber of Industry

Annex I
Documents Consulted

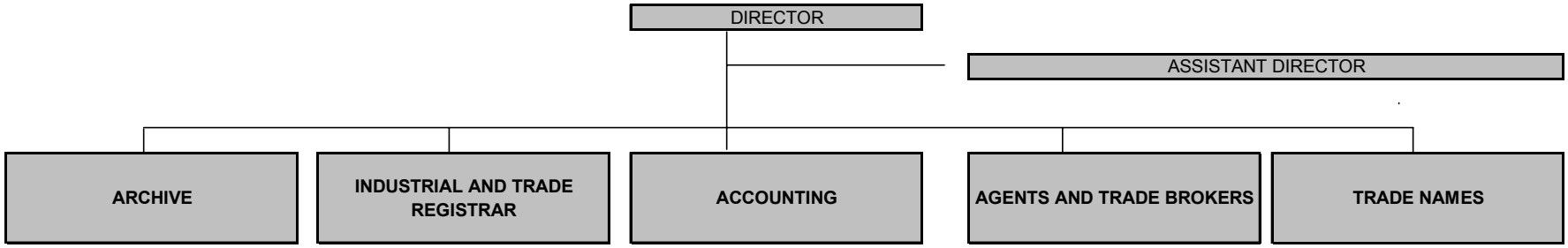
1. Jordan's Ministry of Industry and Trade Center of Excellence Program: Information Management Assessment; July 2002.
2. Ministry of Industry and Trade Strategic Action Plan Implementation; March 2002.
3. Implement MIT Center of Excellence Program- Human Resources Assessment; August 2002.
4. AMIR II Work Program; August 2002.
5. MIT Center of Excellence Program: Organization Assessment; May 2002.
6. Final Assessment of E-Government Fast Track Initiatives at TRC MIT/CCD; January 2002.
7. Support for the Controller of Companies Directorate Ministry of Industry and Trade, Reengineered Management System, Submitted to Jordan AMIR Program, Final Report, October 2001, IMI.
8. Investor Road Map-Company Registration, Final Report, May 1999.

ANNEX J
Organizational Charts

CCD Original Structure



CRD Original Structure



ARCHIVE

- Issuing official letters to other ministries (Pre approval requests)
- Control of incoming and outgoing correspondence
- Filing
- Response to inquiries
- Issue of letters " To Whom it May Concern"

INDUSTRIAL AND TRADE REGISTRAR

- Audit applications for Industrial and Trade Registration
- Registration of trade agencies
- Issue registration certificates (companies and individuals)
- Answer court inquiries on the availability of registers
- Issue letters to whom it may concern
- Registration seizure
- Authentication (Issue original copies)
- Control of amendments
- Issue certificates of amendments
- Cancellation of registration

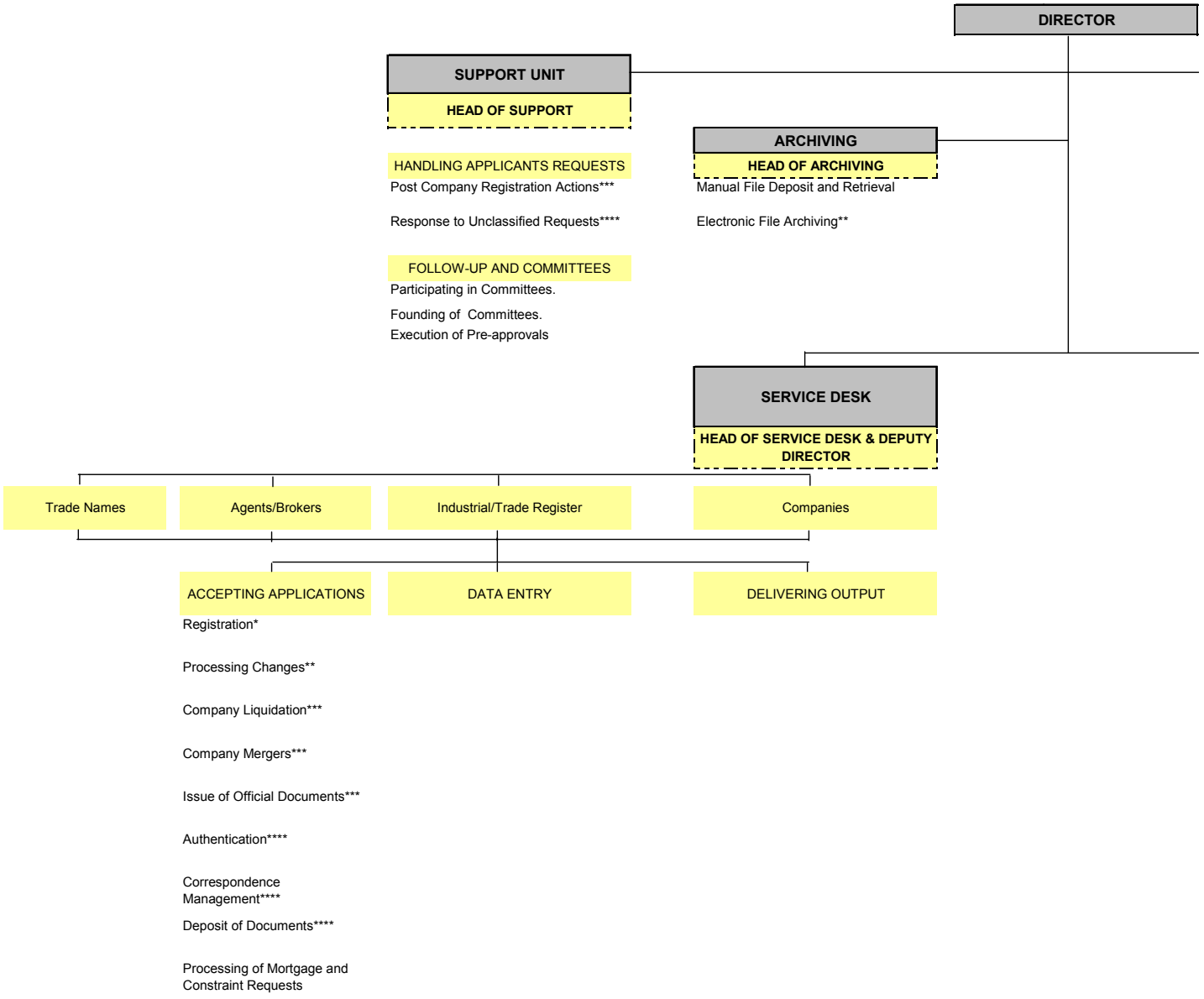
ACCOUNTING

AGENTS AND TRADE BROKERS

- Registration of agents and trade brokers
- Issue registration certificates
- Authentication (Issue original copies)
- Amending agencies
- Issue certificates of amendments
- Cancellation of agency
- Agent removal

TRADE NAMES

- Review applications
- Registration of company and individuals names
- Issue registration certificates
- Control of amendments
- Cancellation of names
- Processing of law cases and objections on similar names
- Authentication (Issue original copies)
- Response to Court inquiries


DIRECTOR
SUPPORT UNIT
HEAD OF SUPPORT
HANDLING APPLICANTS REQUESTS
Post Company Registration Actions***
Response to Unclassified Requests****
FOLLOW-UP AND COMMITTEES
Participating in Committees.
Founding of Committees.
Execution of Pre-approvals
ARCHIVING
HEAD OF ARCHIVING
Manual File Deposit and Retrieval
Electronic File Archiving**
SERVICE DESK
HEAD OF SERVICE DESK & DEPUTY DIRECTOR
Trade Names
Agents/Brokers
Industrial/Trade Register
Companies
ACCEPTING APPLICATIONS
DATA ENTRY
DELIVERING OUTPUT
Registration*
Processing Changes**
Company Liquidation***
Company Mergers***
Issue of Official Documents***
Authentication****
Correspondence Management****
Deposit of Documents****
Processing of Mortgage and Constraint Requests